Other Contract Provisions

It is an annual contract—for 1 year only.

The insurance period begins when the corn is planted and ends with harvest or December 10, whichever is earlier.

If your corn crop is destroyed while there is still time to replant you are expected to replant. If this acreage is not replanted, it will not be insured.

Insured acreage destroyed or substantially destroyed may be released by the Corporation for other use, BUT no acreage may be put to another use unless a release in writing has been obtained from the Corporation. Arrangements must be made for appraisal of production before corn is used for silage or fodder purposes if there is any likelihood of a loss.

An assignment against the insurance contract may be made as collateral for a loan or debt.

> A producer may insure less than the total acreage of corn in an insurance unit by designating on his application the number of acres to be insured. Where only a part of the acreage on an insurance unit is insured, the production on the entire insurance unit will be prorated in case of loss.

What You Do

File an application before the closing date, April 30.

Notify the county office on or before June 30 if acreage planted is less than the acreage listed for the insurance unit on your application.

Plant, care for, and harvest the crop in accordance with good farming practices.

Report immediately to the county office any material damage to the crop if you feel a loss under the insurance contract may result. Any loss under the contract *must be reported* within 15 days after harvest.

Pay your premium . . . take advantage of the 5-percent discount feature . . . avoid penalty interest.

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Federal Crop Insurance on CORN

(Dollar Coverage Insurance)

The Federal Crop Insurance Corporation offers in designated counties insurance of a major part of the costs of producing corn against losses due to unavoidable causes such as:

Drought	Rain
Insect Infestation	Plant Diseases
Hail	Wind
Frost	Flood

It DOES NOT insure against losses from avoidable causes such as neglect, poor farming practices, domestic animals, or breakdown of machinery.

A Federal crop-insurance premium buys protection of the "out-of-pocket" costs in producing a corn crop, from planting through harvest.

It adds only a little to operating costs to insure against the production hazards which man cannot control. Crop-insurance premiums are deductible as operating costs for income-tax purposes.

U. S. DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
PA-42. Issued January 1948

Corn Crop Insurance

Under present legislation corn producers in not to exceed 50 counties can have the opportunity to take Federal crop-insurance protection.

Only corn on land for which the Federal Crop Insurance Corporation has established coverages and rates can be insured.

Crop-insurance premiums are used ONLY to pay losses to insured producers. Administrative costs are carried by the Federal Government as a service to farmers. Premiums collected in excess of losses paid can be used only to accumulate a reserve for use in years when losses exceed premiums. The accumulation of an adequate reserve will make possible reductions in premium rates.

Losses paid to farmers under the program are, of course, the major factor in determining proper changes in premium rates. Consequently, it is in the best interest of the majority of producers for only good risks to be insured under the program. For the same reason, it is in the interest of the great majority of producers for loss adjustments to be made fairly and properly. Lax adjustments or insuring bad risks would be improper use of farmers' premiums.

Crop insurance is a farmers' program—with each insured paying a small amount for protection against unavoidable production risks so that none among them may suffer a complete loss.

Full information is available through the county office on the coverage and premium for each insurance unit.

Coverage Per Acre

A coverage and a premium rate—expressed in dollars per acre—are established by the Federal Crop Insurance Corporation for all insurable acreage in the county.

The maximum protection is on harvested acreage because full production costs have been incurred. Protection on unharvested acreage is adjusted to reflect lower production costs.

If acreage is released for planting a substitute crop, a minimum charge of 50 percent of the coverage for this acreage is made against the total coverage. On other unharvested acreage a minimum charge of 15 percent of the coverage for such acreage is made against the total coverage. Whenever the production appraised by the adjuster exceeds the minimum charge, the actual appraisal is, of course, used.

Determining Losses

In determining losses, production will be valued at the 1947 county CCC corn-loan rate. However, production below loan quality standards will be valued at its local market value if this is less than the loan rate.

The indemnity due a producer is the amount by which the value computed for the production for the insured acreage on the insurance unit falls short of the insured coverage.

Production on an insurance unit includes corn harvested and production charged against coverage for acreage released, unharvested acreage, and corn lost from causes not insured against.

Premium Reductions

A 5-percent premium discount is allowed on premiums paid in full on or before April 30, the deadline date for accepting applications.

Premiums are reduced 2 percent for each 50 acres of insured corn above the first 50 acres on an insurance unit up to a maximum reduction of 20 percent.

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